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EX PARTE OR LATE FILED

June 4, 1999

NOTICE OF EX PARTE PRESENTATION

Magalie Roman Salas, Esq.
Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, S.W.
Washington, D.C. 20554

RECEIVED

JUN 4 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: *In the Matter of Applications for Transfer of Control to SBC
Communications Inc. of Licenses and Authorizations Held by Ameritech
Corporation, CC Docket No. 98-141*

Dear Ms. Salas:

Please be advised that yesterday, Patricia Diaz Dennis, Senior Vice President-Regulatory and Public Affairs, SBC Communications Inc., met with Commissioner Gloria Tristani in connection with the above-referenced proceeding. During the meeting, Ms. Dennis discussed the National-Local Strategy business plan, the high quality of service provided by SBC's telephone companies and SBC's outstanding record in the areas of workforce and vendor/supplier diversity. With respect to corporate diversity, Ms. Dennis referred and provided to the Commissioner the attached document.

In accordance with the Commission's rules concerning ex parte presentations, one copy of this notification and associated materials are provided. Please contact me directly should you have any questions regarding the foregoing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Todd F. Silbergeld".

Attachment

cc: The Hon. Gloria Tristani

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List A B C D E

Many cultures. Endless possibilities.

SBC Communications Inc.'s diverse network of employees, customers and suppliers *sets us apart* from our competition.



Our strong, active commitment to diversity in the workplace and in the marketplace doesn't just make SBC more responsive to the people we serve and employ today; it helps prepare us for leadership in tomorrow's global marketplace, where our heritage

of diversity will become a valuable competitive advantage for our expanding operations around the globe.

One of SBC's most basic beliefs is that our company's workforce should reflect the customers and the communities we serve. So, it should come as no surprise that we have a strong commitment to workforce diversity. And you don't have to look far to see that commitment in action. Our workforce is 53 percent women, 37 percent people of color. What's more, people of color make up 15 percent of SBC's senior management team, and women make up 21 percent — far exceeding the average at most Fortune 500 companies.

We also enjoy strong relationships with businesses owned by minorities, women and disabled veterans through SBC's Supplier Diversity program. In 1998, our estimated spending with these business partners was over \$1 billion.

But diversity at SBC isn't something we take for granted — and it's not really about numbers. It is about working hard to truly know, understand and serve our employees, customers and communities in the ways that matter most to them. It's about defining and promoting core values that drive our actions, decisions and operations. It's about genuine respect for differences. And, as good as our record is, it's about always trying to do better.

The pages that follow provide some important examples from SBC's diversity story ... the story behind the numbers. As for the full story — that's something that can't be put into words. It's something we live and believe in every day.

Edward E. Whitacre Jr.
Chairman and CEO

“There is very little
difference between
one person and another;
but what little there is,
is very important.”

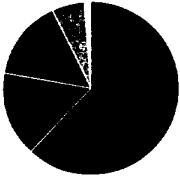
William James

Different ideas. Better answers.

CELEBRATING DIFFERENCES

SBC's workforce is made up of 53 percent women and 37 percent people of color.

SBC WORKFORCE COMPOSITION



- 63% Caucasian
- 16% African-American
- 15% Hispanic
- 5% Asian/Pacific Islander
- 1% American Indian

Based on 1998 workforce composition data

SBC Communications Inc. recognizes the importance of diversity. We value our differences — race, gender, religion, as well as perspectives, experiences and outlooks.

At SBC, we define diversity as differences, variety and uniqueness, and we apply this definition to our workforce, our business practices and the communities we serve. We believe that our commitment to diversity enhances the way we do business and gives us our competitive edge.

SBC provides communications services in 14 states under familiar local brand names — Southwestern Bell, Pacific Bell, Nevada Bell, Southern New England Telecommunications (SNET) and Cellular One — but our traditional territory is defined by our local wireline service which covers an eight-state region. Throughout all the states we serve, we employ the best people from all backgrounds and perspectives to provide products and services — local and long-distance wireline and wireless services, telecommunications equipment, paging, messaging, Internet access, directory advertising and publishing — that meet our customers' needs. We rely

on our diverse vendor base of minority, women and disabled veteran businesses to provide first-rate equipment and services that make us a leading-edge global telecommunications provider. And we encourage the efforts of numerous employee-initiated organizations that celebrate and support diversity, and our Foundation seeks to assist minority initiatives in areas where it can make a difference.

SBC's attention to diversity is a thread that ensures that the fabric of our employee makeup, products and services, business practices and community activities are tied directly to our customers' needs. As SBC expands into new local, national and international markets, our unique culture will continue driving our company to success.

At SBC, the value and respect we place on our employees' differences set us apart from our competition.

Positions for many. Opportunities for all.

WORKFORCE DIVERSITY

SBC knows that providing customers with innovative, reliable products and services starts with having first-rate employees. Therefore, our human resources team and our employees are dedicated to ensuring that our company is continuously strengthened with the best people, who come from a variety of backgrounds.

SBC does not discriminate against job applicants or employees based on race, color, religion, gender, age, national origin, disability, veteran status, marital status or sexual orientation when making staffing decisions.

Beyond racial and ethnic makeup, we recognize individual talents, perspectives, geographic locations, thinking, education, skills and other experiences. These characteristics help establish excellence in the workplace as well as in the marketplace.

SBC has built a diversified staff at all levels. Following is a sampling of programs designed to enhance minority hiring practices and minority advancement.

- *Minority Hiring Practices* — Hiring efforts include participating in minority career fairs as well as targeted recruiting and involvement in minority/women-focused associations.

- *Diversity Training/Career Development Programs* — SBC provides programs and opportunities designed to train employees in diversity management.
- *SBC Career Advancement Programs* — SBC provides all employees — through tuition reimbursement and career-development programs — with equal access to self-enrichment programs designed to help boost performance or enhance abilities to assume positions of greater responsibility. An example is our Leadership Development Program that prepares future SBC leaders.

We strive to be more than just an equal opportunity employer — and we work to promote differences throughout our workforce.

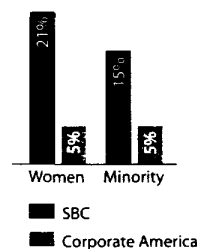
At SBC, our hiring practices and training programs encourage the development of differences in our workforce setting us apart from our competition.

CELEBRATING DIFFERENCES

SBC's board of directors is composed of 19 percent women and 19 percent people of color. (In 1997, Directorship, Inc. reported that corporate boards were composed of less than 9 percent women and 4 percent minorities.)

SBC's senior management team is composed of 21 percent women and 15 percent people of color. (As recently as 1995, the Federal Glass Ceiling Commission found minorities and women holding less than 5 percent of the top corporate jobs.)

SBC WOMEN AND MINORITY SENIOR MANAGEMENT REPRESENTATION



Based on 1998 workforce composition data and 1995 Federal Glass Ceiling Commission findings

Providing options. Generating results.

DIVERSITY MARKETING

SBC believes that our superior service relies on strong, open communications. With a diverse customer base stretching around the globe, we know that our consumers have special needs. We are sensitive to those demands. As evidence, we have broken barriers for our customers whose differences cross languages, physical limits and ethnicities.

Our diversity marketing effort is three-pronged — we service and sell to the customer in the manner and language they prefer, we build relationships with our diverse customer base, and we offer the products and services they need. Our diversity marketing effort is implemented across the 14 states where we provide communications services and in all of our businesses — wireline, wireless, long-distance, Yellow Pages, voice messaging and Internet.

For more than a decade, SBC has offered bilingual service to meet the needs of non-English-speaking customers. SBC employs more than 1,000 service representatives who are trained to handle customer calls in seven languages. In addition to English, SBC's service representatives (who are available depending on local population composition) speak Cantonese, Japanese, Korean, Mandarin, Spanish, Tagalog and Vietnamese.

SBC also has launched multilingual educational campaigns to warn customers about different types of telephone fraud, including slamming, cramming and collect calls. Using both print and broadcast media, as well as distribution of multilingual brochures, Web sites and newsletters, we educate our customers on how not to fall victim to these frauds.

Language isn't the only barrier that we have worked to overcome. We offer specialized services for our customers who have physical disabilities. Throughout

our territory we offer TTY-enabled service hotlines (i.e., teletypewriter or text telephone) for hearing-impaired customers, and in California our residents with visual impairments can request large-type bills that are easier to read and understand.

SBC has committed significant human and financial resources to meet the needs of different ethnic groups in their communities. Our diversity marketing team designs and implements programs tailored to meet their requirements. They also are responsible for ensuring that SBC's marketing outreach honors important cultural nuances among diverse audiences. Last year, SBC was involved in more than 125 ethnic community events. Included was Pacific Bell's sponsorship of the Mil Gracias! Day and Southwestern Bell's sponsorship of the Chinese Village, the African Arts Festival and the Customer Appreciation Day.

Also, we support other programs that allow us to educate the communities we serve. For example, our employee volunteers visit schools to train thousands of children to properly use 9-1-1 through our 9-1-1 Call Simulator curriculum. The program is taught in English and Spanish.

At SBC, breaking down barriers that help us better meet our customers' needs sets us apart from our competition.

CELEBRATING DIFFERENCES

More than 40 percent of SBC's* customer base and population served are minorities.

SBC's ethnic markets now represent more than a \$1.3 billion revenue stream for our eight-state wireline territory alone.

MINORITY POPULATION IN SBC* TERRITORIES

Ethnic Composition	SBC	TX	CA
Hispanic	24%	30%	32%
African American	9%	12%	7%
Asian	6%	3%	11%
Native American	1%	1%	1%
Total	40%	46%	51%
Ethnic groups in 2003	43%	47%	54%

Based on 1998 U.S. census data and 2003 projections data

*Data based on SBC's eight-state local wireline territory.

Today, Hispanics, African-Americans and Asians make up more than one-third of the population in SBC's territory. In less than three years, this combined "minority" will be the majority in California. In less than 10 years, the same will be true in Texas.

The joy of life is vanity.

Samuel Johnson

Increasing minority procurement. Building a better business.

SUPPLIER DIVERSITY

Our commitment to diversity extends to our suppliers. Since the early 1970s, SBC has been working to increase procurement from businesses owned by minorities, women and disabled veterans. In 1998, SBC estimated spending over \$1 billion, nearly one-fifth of our total spending, with diversity suppliers through direct purchases and subcontracting. SBC's goal is to procure goods and services using 15 percent minority, 5 percent women and 1.5 percent disabled veteran business enterprises.

SBC's Supplier Diversity Program has been the means by which we have strengthened our supplier base with the added value and expertise of minority, women and disabled veteran entrepreneurs.

Additionally, SBC supports the National Minority Supplier Development Council, the National Association of Women Business Owners, the Association for Service Disabled Veterans and similar organizations focused on helping minority, women and disabled veteran suppliers identify and pursue business opportunities.

SBC has received several awards for our efforts in promoting diversity among our suppliers, including:

- Minority Enterprise Corporate Award.
- Missouri Governor's Commission on Minority Business Development Award.
- U.S. Small Business Administration's Region 6 Majority Private Sector Award (for Southwestern Bell's commitment to minority small-business development in Arkansas).
- Association for Service Disabled Veteran's "Keeping the Promise" Award (for our leadership role and proactive support of disabled veteran business enterprises).
- NAACP's "Corporation of the Year" Award (for Pacific Bell's supplier diversity program).
- U.S. Chamber of Commerce's "Corporation of the Year" Award.
- Texas Association of Mexican-American Chamber of Commerce's "Corporate Partner of the Year" Award.

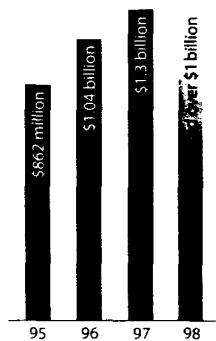
In addition, we have won awards sponsored by the National Minority Supplier Development Council and *HISPANIC Magazine*, among others.

At SBC, our commitment to partnering with diversity suppliers has been long-standing, successful and mutually beneficial for SBC and the communities we serve, and it sets us apart from our competition.

CELEBRATING DIFFERENCES

In 1998, we estimated spending over 15 percent of SBC's* procurement dollars with vendor businesses owned by minorities, women and disabled veterans.

SBC* SUPPLIER DIVERSITY SPENDING



Final total for 1998 not yet available

*Totals reflect spending for Southwestern Bell and Pacific Bell wireline services only

Minority giving. Employee sharing.

PHILANTHROPY AND VOLUNTEERISM

Our commitment to diversity runs much deeper than making good business sense. We support diversity initiatives in the communities we serve through Foundation grants, contributions and acts of volunteerism. For the past decade, the SBC Foundation and our external affairs organization have reached out to different communities giving over \$10 million in grants to support minority programs.

The SBC Foundation's financial support focuses on minority education efforts. Our Foundation has awarded grants — through national and/or local chapters — to the National Association for the Advancement of Colored People (NAACP), Hispanic Association on Corporate Responsibility (HACR), Hispanic Association of Colleges and Universities (HACU), the Hispanic Scholarship Fund and the Philippine Children's Charity Scholarship Fund.

Beyond minority education, we support other diversity initiatives in the community. The Southwestern Bell Foundation underwrote the costs of a videoconferencing

system that will be used in a job training program to help people with disabilities live independently. SNET has helped fund the Connecticut-based Amistad America, an organization building and overseeing the operation of a replica of the original Amistad slave ship. Cellular One Washington, D.C./Baltimore donated funds to a neighborhood disability organization to repair their handicapped accessible van. The Pacific Bell Foundation contributes to the Urban League's job training program for African-Americans.

Internally, we also strive to create and sustain an environment that encourages and celebrates diversity. SBC sponsors several diversity-related employee groups dedicated to performing acts of community service.

These groups include:

- ACCA — Asians for Corporate and Community Action.
- Community NETWORK — African-American Telecommunications Professionals of SBC.
- FLAG — Filipino Leadership Action Group.
- HACEMOS — Hispanic Association of Communications Employees of SBC.
- PWSB — Professional Women of SBC.
- SPECTRUM — Gay and Lesbian Association of SBC.

In addition to these employee-initiated groups, SBC sponsors the Pioneers, a dynamic group of employees (both active and retired), dedicated to volunteering their time and energy to serving and enhancing their communities.

With a membership of more than 134,000, SBC's volunteer groups make a significant impact in the communities we serve. In 1997, SBC's employee groups together raised more than \$51,000 in support of diversity-related community activities and scholarships.

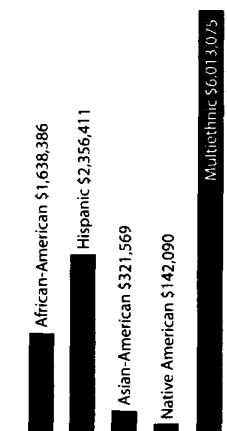
At SBC, our contributions of money and time set us apart from our competition.

CELEBRATING DIFFERENCES

Our Southwestern Bell, Pacific Bell and Nevada Bell Pioneers alone donated nearly 6 million volunteer service hours to our communities in 1997-1998. That outstanding number represents nearly 50 volunteer hours for every employee and retiree member of our Pioneers.

In 1998, SBC community outreach efforts (through the SBC Foundation and external affairs) contributed approximately \$10 million to support the needs of ethnic and special populations.

SBC FOUNDATION AND CSM* MINORITY CONTRIBUTIONS



1998 Total Contributions \$10,471,531

*Contributions, Subscriptions, Memberships

Our goal. Our accomplishments.

CELEBRATING DIFFERENCES

SBC is among the top 10 companies in America promoting minority advancement, according to the Council of Economic Priorities of New York.

The Council of Economic Priorities of New York gave SBC an "A" rating for minority advancement, placing it atop a list of 321 Standard & Poor Companies.

SBC received a "B" rating (one of the highest grades in the industry) on the NAACP's telecommunications industry report card.

SBC EMPHASIZES ALL FORMS OF DIVERSITY



Adapted from Marilyn Loden and Judy Rosener, *Workforce America* (Business One Irwin, 1991).

Workforce diversity means respecting and recognizing the value in the differences among all SBC employees, vendors and customers.

At SBC, we understand that the diversity of our employees, vendors and customer relationships has a positive impact on our business. Our respect for differences means that we each take a leadership role in valuing each employee and customer. We promote a fair, safe and inclusive work environment, while encouraging open communication of various ideas and perspectives. We attract, develop and retain a workforce representative of our different markets. And we appreciate the talents and energy of our diverse workforce by rewarding and recognizing them at every level throughout the company.

The actions that guide SBC's commitment to diversity include:

- encouraging and skillfully incorporating all opinions and ideas.
- viewing differences as assets.
- accommodating various strengths.
- working together in mixed teams to design and implement creative solutions for our business suppliers and customers.
- serving our broad markets effectively and sensitively.
- treating others with respect.
- creating win-win solutions.
- being open to many viewpoints, cultures and lifestyles.
- participating in wide-ranging activities that support self-development and business relationships.
- serving the needs of others.

Our efforts to promote diversity have been acknowledged by the public. Some of our most recent honors are:

- recognition in *Fortune* magazine as "the world's most admired telecommunications company" in 1997 and 1998, and "the most admired telecommunications company in the United States" in 1996, 1997 and 1998.
 - Opportunity 2000 Award — U.S. Department of Labor.
 - 1997 Corporate Leadership Award — The National Women's Economic Alliance.
 - 1997 Amigo Award — National Association of Hispanic Publications.
 - Best Companies for Latinas to Work For — *Latina Style Magazine*.
 - Amistad Award — The American GI Forum of the United States Hispanic Education Foundation.
- At SBC, diversity is recognized by our employees, extended to our suppliers, acknowledged by our customers and sets us apart from our competition.***

For more information, visit our Web site at www.sbc.com or write:

Executive Director of Workforce Diversity
SBC Communications Inc.
175 E. Houston Street, Suite 500
San Antonio, TX 78205

We are of course
a nation of differences.

Those differences
don't make us weak.

They're the source of
our strength.

President Jimmy Carter

ivesiy

Many cultures. Endless possibilities. Infinite solutions.



 Southwestern Bell

PACIFIC  BELL.

 SNET

NEVADA  BELL.

CELLULAR **ONE**®